

UNITED STATES BANKRUPTCY COURT FOR THE
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:) Chapter 7
)
GAYETY CANDY CO., INC.,) Bankruptcy No. 18 B 32437
)
)
Debtor.) Honorable Timothy A. Barnes

NOTICE OF MOTION

To: See Attached Service List

PLEASE TAKE NOTICE that on **Wednesday, February 20, 2019, at 10:00 a.m.**, we will appear before the Honorable Timothy A. Barnes or such other Judge as may be presiding in that Judge's stead, in courtroom 744, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604, and present our **Motion Authorizing Trustee to Sell Certain Assets Free and Clear of Liens Pursuant to 11 U.S.C. § 363 (b) and (f), and to Shorten Notice**, a copy of which is attached hereto and served upon you herewith.

Date: February 6, 2019

By: /s/ Kenneth A. Michaels Jr

Kenneth A. Michaels Jr. (ARDC # 6185885)
Bauch & Michaels, LLC, d/b/a Lakelaw
53 West Jackson Boulevard, Suite 1115
Chicago, IL 60604
(312) 588-5000

Attorney for David Leibowitz, Chapter 7 Trustee
of Gayety Candy Co., Inc.

CERTIFICATE OF SERVICE

On February 6, 2019, the undersigned certifies that on this date, she caused a copy of the above document to be served upon each person shown on the foregoing Notice, by United States Mail, with postage prepaid, at Chicago, Illinois. Those marked with an * were served via the Court's ECF System.

/s/ Rachel A. Leibowitz
Paralegal

SERVICE LIST

Anne Oliveri

13742 Shadow Wood Lane
Valley Center, CA 92082-7735

Capital One Visa Sparks
P.O. Box 71083
Charlotte, NC 28272-1083

Dr. Dean Milos
887 Euclid
Elmhurst, IL 60126-4826

Huhtamaki
25089 Network Place
Chicago, IL 60673-1250

Koransky, Bower & Poracky, P.C.
425 Joliet Street Suite 425
Dyer, IN 46311-1772

National Hellenic Museum
333 S. Halsted Street
Chicago, IL 60661-5415

Ray Jackson
12657 S. Mason Ave.
Alsip, IL 60803-3549

Time Payment Corp.
16 N.E. Executive Park #200
Burlington, MA 01803

Alex Spanos
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Stockton, CA 95219-7238

Calumet Bakery
18349 Torrence Ave.
Lansing, IL 60438-2733

Dr. Andrew Sampalis
4560 W 103rd St
Oak Lawn, IL 60453-4869

HOMEWOOD DISPOSAL SERVICE
1501 W 175th Street
Hazel Crest, IL 60429

Kevin Scanlan
118 N. Windmill Rd
Orland Park, IL 60467-7343

Mood Radio
1703 W 5th Street #600
Austin, TX 78703-4894

Printmeisters
3240 Ridge Rd
Lansing, IL 60438-3193

The Hartford
P.O. Box 2907
Hartford, CT 06104-2907

Yelp, Inc.
706 Mission Street
San Francisco, CA 94103-3169

Bags & Bows
P.O. Box 88042
Chicago, IL 60680-1042

CITIBANK
PO BOX 790034
ST LOUIS MO 63179-0034

First Savings Credit Card
P.O. Box 2509
Omaha, NE 68103-2509

James L. Flessor Trust
Dated 12-14-02
3306 Ridge Rd
Lansing, IL 60438-3112

Local 150 Heavy Machine
Operating Engineers
6140 Joliet Rd.
La Grange, IL 60525-3956

Oral & Maxillofacial Surgery
105 E. 1st St., #103
Hinsdale, IL 60521-4248

Sprint
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Carol Stream, IL 60197-4181

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Chicago, IL 60680-5934

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16475 Van Dam Rd
South Holland, IL 60473-2650

Triple A Valley Fire
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Hammond, IN 46320-1136

Illinois Department of Employment Security
Attn: Bankruptcy Unit - 10th Fl.
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Chicago, Illinois 60603-2808

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Hammond, IN 46320-1136

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South Holland, IL 60473-3674

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20600 Chagrin Blvd Suite 550
Beachwood, OH 44122-5340

Mickey's Linen (towel supply)
4601 W. Addison St
Chicago, IL 60641-9911

Praedium Development Co.
n/k/a Pinetree, LLC
40 Skokie Blvd
Northbrook, IL 60062-1601

Stein & Rotman (for CanCapital)
77 W. Washington St. Ste. 1105
Chicago, IL 60602-3249

US Small Business Administration
801 R Street Suite 101
Fresno, CA 93721-2365

Bankcard Services
P.O. Box 4488
Beaverton, OR 97076-4402

COM ED - BILL PAYMENT CENTER
PO BOX 805376
Chicago, IL 60680-4174

Gayety Candy Co., Inc.
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Lansing, IL 60438-3112

Johhny K's
John Karogianos
17816 Torrence Ave
Lansing, IL 60438-1836

Master Paper Box
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Chicago, IL 60609-1322

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Chicago, IL 60604-2027 *

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PO BOX 7949
OVERLAND PARK KS 66207-0949

U.S. Bankruptcy Court
Eastern Division
219 S Dearborn 7th Floor
Chicago, IL 60604-1702 *

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c/o Stein & Rotman
77 W. Washington St. #1105
Chicago, IL 60602-3249

Avanti
155 W Congress St #200
Detroit, MI 48226-3261

Chester H Foster Jr.
16311 BYRON DRIVE
ORLAND PARK, IL 60462-5632 *

Factor Funding LLC
1 Metro Tech Center 20th Floor
Brooklyn, NY 11201-3949

J.S. Paluch Company, Inc.
3708 River Rd. Suite 400
Franklin Park, IL 60131-2158

Laurene Lamanski
1145 Killarney
Dyer, IN 46311-1296

NIPSCO
P.O. Box 13007
Merrillville, IN 46411-3007

South Shore Convention
7770 Corinne Drive
Hammond, IN 46323-3128

TRS Recovery Systems
P.O. Box 60022
City of Industry, CA 91716-0022

Apple Chevrolet
8585 159th St.
Tinley Park, IL 60487-7546

Capra Consulting
221 N. LaSalle #1325
Chicago, IL 60601-1341

Edco Services
107 Broadway Suite B103
Crown Point, IN 46307

Invigoratech.net
3517 Ridge Road
Lansing, IL 60438-3599

Lansing Electric
18559 WIllow Lane
Lansing, IL 60438-3376

Nick & Beverly Leep
8001 Austin Ave.
Schererville, IN 46375-2422

Roto-Rooter Corporation
300 Ashworth Road
West Des Moines, IA 50265-3786

TLC Plumbing
P.O. Box 429, Griffith
Griffith, IN 46319-0429

E. Michael Feltenstein/Deceased
c/o Gary Goodman
5844 N. St. John Court
Chicago, IL 60646-6047

Albanese Confectionery Group, Inc
5441 East Lincoln Highway
Merrillville, IN 46410-5947

Bruce Packaging

8131 Ridgeway Ave.
Skokie, IL 60076-3352

Dave Davila
3330 Ridge Rd.
Lansing, IL 60438-3137

Green Tree Servicing
P.O. Box 6172
Rapid City, SD 57709-6172

K Plus Industrial Services
205 Ford Dr.
New Lenox, IL 60451-2625

Mike Shutty
26773 W. Lakeridge Dr.
Barrington, IL 60010-1978

Preferred Window & Door
19716 Burnham Ave.
Lynwood, IL 60411-8754

T & B Tube
4000 E. 7th Ave.
Gary, IN 46403-2730

Village of Lansing
3141 Ridge Road
Lansing, IL 60438-3087

Beth Flessor
3312 Ridge Rd.
Lansing, IL 60438-3112

Commercial Recovery Assoc LLC
205 W Wacker,Ste. 1818
Robert Handler
Chicago, IL 60606-1429

Golden Technologies
2402 Beech Street
Valparaiso, IN 46383-6007

Joyce Visnik
7715 Falstaff
Mc Lean, VA 22102-2759

Medowvale Dairy
109 Beaver Street
Yorkville, IL 60560-1797

Paychex
PO Box 4482
Carol Stream, IL 60197-4482

Stanley Security Solutions (lease)
8350 Sunlight Dr. Ste. 200
Fishers, IN 46037-6700

Ungaretti & Harris
70 W Madison St #3500
Chicago, IL 60602-4283

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c/o Ester Sciacotta
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Barrington, IL 60010-4841

American Eagle CO.
2600 S River Rd.
Des Plaines, IL 60018-3203

Calumet City Plumbing
645 State St
Calumet City, IL 60409-3541

Deluxe Business Forms
P.O. Box 742572
Cincinnati, OH 45274-2572

Heartland Creative Events
3232 Ridge Rd
Lansing, IL 60438-3127

Kathy Humecki & Associates
20180 Governors Hwy Suite 204
Olympia Fields, IL 60461-1066

Murnane Specialities
607 Northwest Avenue
Northlake, IL 60164

Pure Force
P.O. Box 100512
Pasadena, CA 91189-0003

The Private Bank
4007 W. Touhy Ave.
Att: Mary Goodman
Lincolnwood, IL 60712-2028

ADT Security Systems
3190 S. Vaughn Way
Aurora, CO 80014-3512

Bob Pavich
20 S. Clark St Suite 700
Chicago, IL 60603-1894

Credit One Bank
P.O. Box 60500
City of Industry, CA 91716-0500

Hammond Machine Works
5047 Columbia Ave.
Hammond, IN 46327-1760

Kalamata Capital Group
80 Broad Street 12th Floor
New York, NY 10004-2209

Midland Oral Surgery
4435 W. 95th St.
Oak Lawn, IL 60453-2625

Prairie Farms
2004 N University Street
Peoria, IL 61604-3103

Sweet Street
592 William R Latham Sr Dr
Bourbonnais, IL 60914-2460

Vans Floral Products
3730 W 131st Street
Alsip, IL 60803-1519

E. Michael Feltenstein/Deceased
c/o Lisa Prosk
990 Manchester Ct.
Lake Zurich, IL 60047-1298

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Mokena, IL 60448-8304

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Lynwood, IL 60411-9600

E. Michael Feltenstein
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Calumet City, IL 60409-4707

INTERNAL REVENUE SERVICE
CENTRALIZED INSOLVENCY OPERATIONS
PO BOX 7346
PHILADELPHIA PA 19101-7346

Lansing Area Chamber of Commerce
3330 181st Place Suite 103
Lansing, IL 60438-2365

Nick Loxas
1248 Royal Dublin Lane
Dyer, IN 46311-1283

S & J Construction
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Oak Forest, IL 60452-4608

Town of Schererville
833 W Lincoln Hwy
Schererville, IN 46375-1674

Anne Martinelli
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Milwaukee, WI 53213-3004

CAN Capital Merchant Services, Inc.
2015 Vaughn Road Building 500
Kennesaw, GA 30144-7831

Dr. Thomas Sonneveld
9641 W. 153rd St. #50
South Holland, IL 60473

ILLINOIS DEPARTMENT OF REVENUE
BANKRUPTCY DEPARTMENT
P O BOX 64338
CHICAGO IL 60664-0338

Korellis Roofing
1333 - 169th St.
Hammond, IN 46324-2005

My Premier Credit Card Services
P.O. Box 5524
Sioux Falls, SD 57117-5524

Pure Force
P.O. Box 70343
Chicago, IL 60673-0343

TIME PAYMENT CORP.
1600 DISTRICT AVE STE 200
BURLINGTON MA 01803-5233

E. Michael Feltenstein/Deceased
c/o Belle Rossman
600 W. Russell
Barrington, IL 60010-4174

Bankruptcy Section MS108
ATTORNEYS Department of Revenue
100 N. Senate Ave IGCN240
Indianapolis, IN 46204-2273

Comcast Business
PO BOX 3001
Southeastern, PA 19398-3001

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Lansing, IL 60438-2124

McCloud Services
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South Elgin, IL 60177-2703

PayChex
1175 John St
West Henrietta, NY 14586-9199

Stanley Security
55 Shuman Blvd Suite 900
Naperville, IL 60563-8488

Uline
2200 S. Lakeside Drive
Waukegan, IL 60085-8311

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Gurnee, IL 60031-1247

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9801 W. Higgins Rd., Ste. 400
Des Plaines, IL 60018-4704

Specialized Plastics
567 Main Street
Hudson, MA 01749-3035

TSL Refrigeration
419 Council Rd.
Chesterton, IN 46304-1040

Lenore Garoufalos (Lee Flessor Est)
14441 Oakley Ave
Orland Park, IL 60462-1945

Bruce Boruszak
Pine Tree, LLC
40 Skokie Blvd, Ste. 610
Northbrook, IL 60062

**UNITED STATES BANKRUPTCY COURT FOR THE
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) Chapter 7
)
GAYETY CANDY CO., INC.,) Bankruptcy No. 18 B 32437
)
Debtor.) Honorable Timothy A. Barnes

**MOTION FOR AUTHORITY TO SELL CERTAIN ASSETS FREE AND CLEAR OF
LIENS PURSUANT TO 11 U.S.C. § 363(b) AND (f), AND TO SHORTEN NOTICE**

David P. Leibowitz (the “Trustee”), not individually, but as the Chapter 7 Trustee for the estate of Gayety Candy Co., Inc. (the “Debtor”), pursuant to § 363(b) and (f) of the Bankruptcy Code, and further pursuant to Rules 2002 and 6004 the Federal Rules of Bankruptcy Procedure, hereby moves for an order authorizing the Trustee to sell the estate’s interest in substantially all of Debtor’s assets, free and clear of any and all liens for the sum of Fifty-Two Thousand Two Hundred Fifty Dollars, (\$52,250.00) (the “Purchase Price”), or a greater purchase price accepted by the Trustee at the hearing on the Motion to Approve Sale, to Laurene Lamanski or her designee, so long as her designee is acceptable to Trustee, (the “Buyer”). In support of same, the Trustee states as follows:¹

JURISDICTION

1. This Court has jurisdiction over this case pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b)(2)(A), (N), and (O).
2. Venue is proper pursuant to 28 U.S.C. § 1408.
3. By Local Rule 40.3.1(a) of the United States District Court for the Northern District of Illinois, the District Court has referred all bankruptcy cases to the Bankruptcy Court for initial determination, as permitted by 28 U.S.C. § 157(a).

¹ All chapter, section and rule references, unless otherwise noted, are to the Bankruptcy Code, 11 U.S.C. §§ 101-1532 (“Code”), and the Federal Rules of Bankruptcy Procedure, Rules 1001-9037.

FACTUAL & PROCEDURAL BACKGROUND

4. On November 19, 2018 (the “Petition Date”), Debtor filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code.

5. David P. Leibowitz is the duly appointed, qualified, and acting chapter 7 Trustee in this case.

6. Debtor has ceased operating any business; however, all of Debtor’s physical assets are located at two leased premises, one of which is located at 3306 Ridge Road, Lansing, Illinois, and the other of which is located at 36 U.S. Hwy. 41, Schererville, Indiana (collectively the “Leased Facilities”).

7. Debtor was engaged in the business of manufacture and sale of candy, ice cream and related products at the Leased Facilities.

8. The Trustee has solicited bids for certain assets of the estate, as identified in the *Inventory of Assets*, attached hereto as ***Exhibit A*** (collectively, the “Assets”).

9. The Trustee has negotiated the proposed sale to the Buyer pursuant to the terms outlined in the asset purchase agreement, (the “APA”), attached hereto as ***Exhibit B***.

10. After negotiations, the Trustee and the Buyer, (collectively, the “Parties”), entered into the APA. Under the terms of the APA, the assets specifically designated in Exhibit A are to be sold to the Buyer for a total purchase price of \$52,250.00, subject to Court approval.

11. The Assets being sold may be subject to liens held by various taxing authorities. The proposed consideration being paid for the Assets is sufficient to retire a portion of the debt owed to those authorities.

12. The Trustee believes that the Purchase Price is a fair value for the property being sold and is the result of good faith, arm’s length bona fide negotiations.

13. The Buyer is, to the Trustee's knowledge, a good faith purchaser. The Buyer is not an insider of the Debtor and, subject to the conditions described below, and in the APA, is prepared to buy the Assets.

14. The Trustee will advertise the proposed sale once in the Auction Pages of two publications, the Chicago Tribune and Times of Northwest Indiana. The sale to the Buyer will be subject to higher offers for the Assets before the hearing on the instant Motion to Approve Sale.

15. The Buyer has represented to the Trustee that it is ready to close the sale. A sale free and clear of liens must be held in context of this chapter 7 bankruptcy liquidation.

REQUESTED RELIEF

16. The Trustee requests that the Court enter an order, pursuant to §363(b), authorizing the Trustee to sell the assets as enumerated in Exhibit A to the Buyer pursuant to the terms outlined in the Asset Purchase Agreement for the sum of \$52,250.00, free and clear of any and all liens, with any liens to attach to the proceeds of sale in accordance with § 363(f) of the Bankruptcy Code.

BASIS FOR REQUESTED RELIEF

17. Section 363(b) provides, in relevant part, that “[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.”

18. Section 363(f) of the Bankruptcy Code permits the Trustee to sell assets free and clear of all interests which may be asserted against such assets, with any such interests attaching to the net proceeds of the sale, subject to the rights and defenses of the Debtor with respect thereto. As § 363(f) of the Bankruptcy Code is stated in the disjunctive, when proceeding pursuant to §363(b), it is only necessary to meet one of the five conditions of § 363(f).

19. Though the Trustee believes that it is possible the price at which the Property is to be sold may not exceed the aggregate value of all liens on such property, the Trustee believes that any

entity with a lien on the Property could be compelled in a legal or equitable proceeding to accept a money satisfaction of its interest. 11 U.S.C. § 363(f)(5).

20. Based on the foregoing, the Trustee submits that the sale of the Property is a prudent exercise of his business judgment under the circumstances of this case and is in the best interests of the Debtor's estate and its creditors. Therefore, the Motion should be granted.

NOTICE

21. Fourteen (14) days' notice of this motion was provided to: (a) the Debtor; (b) the Debtor's counsel; (c) the Office of the United States Trustee; (d) all known creditors of the Debtor's estate; (e) all parties which may have an interest in Assets the Trustee seeks authorization to sell; and (f) those persons who have requested notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure.

22. The Trustee requests that the 21-day notice otherwise required by Bankruptcy Rule 2002 be shortened to fourteen days in order to allow for sufficient time to recover the property from the Schererville Leased Facility; the Debtor's lease for that space expires on February 28, 2019, and the new tenant (a Lou Malnati's restaurant) requires immediate access to the property to make improvements.

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WHEREFORE, David P. Leibowitz, chapter 7 Trustee of the estate of Gayety Candy Co., Inc., respectfully requests that this Court enter an order: (i) granting this Motion; (ii) authorizing the Trustee to sell the Property, free and clear of liens, claims and encumbrances, pursuant to 11 U.S.C. § 363(b) and (f), on the terms stated herein; (iii) authorizing the Trustee to execute any and all documents reasonably necessary to effectuate the sale of the Property; (iv) shortening the required notice to fourteen days; and (v) granting such other and further relief as the Court deems just and proper.

Dated: February 6, 2019

Respectfully submitted,

**DAVID P. LEIBOWITZ, not individually, but as
the Chapter 7 Trustee of the Debtor's Estate**

By: /s/ Kenneth A. Michaels Jr

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